

**ELIGIBLE HYDROPONICS AND ELIGIBLE AQUACULTURE PRODUCTION FACILITIES
SPECIFIC TAX ACT (EXCERPT)
Act 512 of 2014**

211.982 Definitions.

Sec. 2. As used in this act:

(a) "Aquaculture" means the commercial husbandry of aquaculture species, including, but not limited to, culturing, producing, growing, propagating, and harvesting aquaculture products under any applicable permits or registration.

(b) "Aquaculture production facility" means real property used for an indoor aquaculture production operation using aquaculture techniques or practices for growing aquaculture species. An aquaculture production facility includes all of the following, to the extent that it constitutes real property:

(i) Pumps, tanks, controls, application systems, indoor recirculating systems, and related infrastructure required to grow aquaculture species using aquaculture techniques or practices.

(ii) Any warehouse or shipping area integrated into the aquaculture production operation.

(iii) Offices integrated into the aquaculture production operation if the taxable value of the offices is less than 50% of the combined taxable value of the aquaculture production facility and the offices.

(c) "Commission" means the state tax commission created by 1927 PA 360, MCL 209.101 to 209.107.

(d) "Eligible aquaculture production facility" means an aquaculture production facility that has a production area of not less than 10,000 square feet.

(e) "Eligible hydroponics production facility" means a hydroponics production facility that has a production area of not less than 1 acre.

(f) "Hydroponics" means a system in which water-soluble nutrients are placed in intimate contact with a plant's root system, being grown in an inert supportive medium, which inert supportive medium itself does all of the following:

(i) Supplies physical support for the roots.

(ii) Does not add or subtract plant nutrients.

(g) "Hydroponics production facility" means real property used for an indoor agriculture production operation using hydroponics techniques or practices for growing plants produced by agriculture that are useful to human beings, including, but not limited to, forages, field crops, sod, berries, herbs, fruits, vegetables, flowers, seeds, and nursery stock. Hydroponics production facility does not include an indoor agriculture production operation for growing plants that are illegal under federal law. A hydroponics production facility includes, but is not limited to, all of the following, to the extent that it constitutes real property:

(i) Pumps, tanks, controls, application systems, and related infrastructure required to grow agricultural crops using hydroponics techniques or practices.

(ii) Any warehouse or shipping area integrated into the hydroponics production facility operation.

(iii) Offices integrated into the indoor agriculture production operation if the taxable value of the offices is less than 50% of the combined taxable value of the hydroponics production facility and the offices.

(h) "Taxable value" means the taxable value as determined under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

History: 2014, Act 512, Imd. Eff. Jan. 14, 2015.